

October 16, 2009

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE, Docket Room
Washington, DC 20426-001

Subject: Comment on Scoping Meetings/ Kilarc P-606

Dear Secretary Bose;

I am pleased that FERC is in town to scope out the Kilarc Hydroelectric Plant decommissioning and potential destruction of the facilities, but this is NOT just about fish, fishing or a picnic spot at tiny but beautiful Kilarc Reservoir above Whitmore where I, my neighbors and families from everywhere, including the handicapped, enjoy fishing, picnicking and other recreational activities. I protest for many other reasons.

We're talking about at least \$14.5 million to destroy two perfectly good hydropower facilities.

We face an unknown cost to replace 4.8 megawatts of green hydropower.

If this proceeds, tens if not hundreds of thousands of dollars and thousands of hours, could be wasted on litigation.

If these hydropower facilities are destroyed, a new water diversion must be built at a huge extra cost just to make nine adjudicated water rights users (our neighbors off South Cow Creek Road) whole.

In the end all of this cost will be borne by ratepayers, when their electric bill goes up!

Needlessly! All this money plus Kilarc Reservoir could be saved and fish habitat improved if those agencies involved just use a little common sense.

Two offers to operate these facilities and avoid this waste are on the table. And both could benefit our fish; furthermore, the fish/habitat benefits that might be derived are at least as significant as the alternatives supported by our Resource Agencies. *[At this point I am called to note that on October 7, The National Marine Fisheries Service released a draft of a Central Valley anadromous fish recovery plan which would cost up to \$1 billion over the next five years and \$10.4 billion over a half-century. Yet, that same report dismisses Redding-area tributaries of the Sacramento as too developed for meaningful salmon and steelhead habitat restoration.]*

Two experienced power plant operators, Davis Hydro (DH) and Evergreen Shasta Power LLC (ESP) want to assume control of the two separate PG&E hydropower facilities on Old Cow and South Cow Creeks.

I appreciate that FERC will be in this area for four days this week to consider these offers and to hold four meetings at which citizens like me can voice our views.

Eventually you must decide whether to demolish the existing PG&E facilities or to allow one or both of these entrepreneurs to take control of them. I ask you to decide not waste money or cause unnecessary new construction, to not ask ratepayers to absorb additional costs, to save these hard-to-replace green hydropower facilities and their replacement costs, and to save these fine recreational facilities by giving these proposals careful consideration.

In doing that, please consider that local stewards and locally-led private production is the surest way of achieving the most efficient use of all resources and -- in today's climate of awareness with respect to the needs of our anadromous fish -- these same stewards can do most to the meets the needs of our fish and balance the needs for public recreation.

What about fish and fish habitat?

The Davis Hydro Plan: DH proposes to raise trout in the bypassed reach of Old Cow (above Kilarc) and release them for straying with the goal of enhancing trout and steelhead populations in the Sacramento and its tributaries. DH also pledges to improve habitat in the bypass to ensure the success of this plan.

DH wants to operate only the larger hydropower plant on the Old Cow. DH proposes to form "The Kilarc Trust" with local stakeholders (community members, resource agency personnel, large neighboring land owners and fish/recreation advocates.) DH describes its plan as "a community-oriented fish enhancement project" or the "Steelhead Project."

[NOTE: Also, according to these same locals, salmon rarely get above Whitmore Falls on Old Cow and steelhead trout are rarely if ever seen on South Cow above Hooten Gulch.]

An expected additional benefit of the DH plan will be a first class field research facility that will target steelhead. Funding will be derived from power plant operations proceeds and used as directed by the Trust. Water rights along the affected part of Old Cow Creek are not an issue at this time.

That is not the case next door in South Cow Creek, a separate watershed, where PG&E has surrendered its license to operate another, smaller hydropower plant, which also involves ESP.

The Evergreen Shasta Power, LLC Plan: ESP proposes to operate both power plants and wants to provide habitat and fish enhancement on South Cow Creek and Hooten Gulch for trout, steelhead and salmon.

ESP refers to its plan as the "The In-County Solution," the "Preferred Alternative" and "most practical" plan; e.g. 1) ESP offers to capitalize the project and assume liability in

collaboration with Shasta County; 2) FERC needs to issue only one license and deal with one operator; 3) The water delivery system in place must be retained by law, 4) If Kilarc and the plants are destroyed, a new diversion of water will have to be constructed at additional cost to deliver water to nine landowners with adjudicated water rights along Hooten Gulch and the Abbott Ditch and 5) ESP and the Tetrick Ranch will also donate and enhance 85 acres of prime salmon habitat in Hooten Gulch. In fact, ESP's plan is entitled "The Salmon Preserve Project!"

[Abbott Ditch is immediately adjacent to the main stem of South Cow Creek, and provides habitat and support for an enormous variety of animal and plant life. In general, the Abbott Ditch irrigates all of the lands between the ditch line and the southern edge of South Cow Creek. These water rights date back 105 years and must be upheld by law.]

So I say, if you save Kilarc you will not only preserve a beautiful place to fish and recreate, you will also prevent the loss of green hydropower which must be replaced and you also will avoid unnecessary demolition costs, new construction costs and expenses for water rights litigation that are sure to follow. All of this cost will eventually be passed on the ratepayers in their electric bills.

And, in view of the NMFS statement of October 7 it is simply too late to turn these two watersheds back to nature. I look forward to discussing these points with your representatives this week in Millville, on the tours and in Redding.

Sincerely,
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